

**ASSEMBLY BILL**

**No. 174**

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**Introduced by Assembly Member Gray**  
(Principal coauthor: Senator Cannella)

January 22, 2015

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An act relating to the University of California, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 174, as introduced, Gray. University of California: medical education.

Existing provisions of the California Constitution establish the University of California as a public trust under the administration of the Regents of the University of California. The University of California system includes 10 campuses, which are located in Berkeley, Davis, Irvine, Los Angeles, Merced, Riverside, San Diego, San Francisco, Santa Barbara, and Santa Cruz.

This bill would express findings and declarations of the Legislature relating to the role of the University of California with respect to access to health care in the San Joaquin Valley.

The bill would appropriate \$1,855,000 from the General Fund to the regents each fiscal year, commencing with the 2015–17 fiscal year, for allocation to the University of California to support expansion of the San Joaquin Valley Program in Medical Education, as specified.

The bill would appropriate \$1,000,000 from the General Fund to the Regents of the University of California during the 2015–17 fiscal year for allocation to the University of California to support a 2-year planning effort geared toward the establishment of a separate traditional medical school at the University of California, Merced, as specified.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) The federal Patient Protection and Affordable Care Act,  
4 when fully implemented in 2014, will mean that millions of  
5 previously uninsured Californians will be seeking health services,  
6 including physician care. As a result of this additional demand for  
7 physician services, the projected statewide physician shortfall is  
8 17,000 for 2015.

9 (b) The San Joaquin Valley, which runs from Stockton to  
10 Bakersfield, is rich in cultural diversity and is the nation's leading  
11 agricultural region. However, the valley is disproportionately  
12 affected by the state's physician shortage, which is expected to  
13 intensify in the years ahead given the high rate of population  
14 growth in the area. Access to health care is 31 percent lower in the  
15 San Joaquin Valley than in the rest of California.

16 (c) Several regions of the San Joaquin Valley are federally  
17 designated Medically Underserved Areas (MUAs). The calculation  
18 of MUAs involves four variables: the ratio of primary medical  
19 care physicians per 1,000 population, the infant mortality rate, the  
20 percentage of the population with incomes below the poverty level,  
21 and the percentage of the population 65 years of age or over.

22 (d) To help address California's physician workforce needs, the  
23 Regents of the University of California engaged in a comprehensive  
24 strategic planning process and, in May 2008, approved moving  
25 forward with planning efforts leading to the development of a  
26 possible medical school at the campus of the University of  
27 California, Merced (UC Merced). At that time, the regents also  
28 approved moving forward with other preparations, such as planning  
29 for the initial basic sciences and clinical infrastructure. Upon  
30 completion of these and other activities, the regents envisioned  
31 that a formal proposal to establish a new medical school eventually  
32 could be developed.

33 (e) The medical schools of the University of California,  
34 including a possible future medical school at UC Merced, will play  
35 an important role in addressing California's physician shortages.

1 (f) Medical education and a possible future UC Merced School  
2 of Medicine will further contribute to the economic growth of the  
3 San Joaquin Valley and the state, as well as expand educational  
4 opportunities for valley residents, and will further support UC  
5 Merced’s trajectory toward becoming a top-tier university.

6 (g) UC Merced’s San Joaquin Valley Program in Medical  
7 Education (PRIME) is providing a key interim resource for training  
8 valley health care providers. This program accomplishes all of the  
9 following:

10 (1) Strengthens the desire for new physicians to practice in the  
11 San Joaquin Valley, which is one of California’s most medically  
12 underserved areas.

13 (2) Reduces health disparities and inequalities in the San Joaquin  
14 Valley.

15 (3) Forms lasting relationships between the program and  
16 communities, hospitals, clinics, and physicians to enhance health  
17 care in the region.

18 (h) Students who take part in PRIME benefit from firsthand  
19 experience with interdisciplinary health care by providing care in  
20 medically underserved communities, working with patients and  
21 families from culturally diverse backgrounds, and developing a  
22 true understanding of the issues and conditions that impact access  
23 to and quality of health care in the region.

24 (i) Despite its numerous benefits for its region, PRIME lacks  
25 an ongoing source of funding for its current enrollment as well as  
26 the financial resources to expand capacity to meet the needs of the  
27 valley.

28 (j) Given the San Joaquin Valley’s health care needs and the  
29 critical role that a possible future medical school at UC Merced  
30 would play in addressing those needs, it is essential for the State  
31 of California to continue developing the valley’s health care  
32 resources by sustaining the current PRIME enrollment, expanding  
33 that program’s capacity, and continuing to move toward the  
34 establishment of a medical school at UC Merced.

35 SEC. 2. The sum of one million eight hundred fifty-five  
36 thousand dollars (\$1,855,000) is hereby appropriated from the  
37 General Fund to the Regents of the University of California each  
38 fiscal year, commencing with the 2015–17 fiscal year, for  
39 allocation to the University of California to support expansion of  
40 the San Joaquin Valley PRIME program to admit up to 12 students

1 per year and operate the program with up to 48 student participants  
2 from across the four-year curriculum annually.  
3 SEC. 3. The sum of one million dollars (\$1,000,000) is hereby  
4 appropriated from the General Fund to the Regents of the  
5 University of California during the 2015–17 fiscal year for  
6 allocation to the University of California, to support a two-year  
7 planning effort geared toward the establishment of a separate  
8 traditional medical school at the University of California, Merced.  
9 The effort shall include determination of the necessary program  
10 components such as basic and clinical science courses, curriculum,  
11 capital needs, one-time and ongoing operational funding, student  
12 support services, and other necessary components. The University  
13 of California shall submit a report to the appropriate policy and  
14 fiscal committees of the Legislature by March 1, 2018,  
15 summarizing its planning efforts and providing recommendations  
16 and estimates for the infrastructure, personnel, and funding, and  
17 time necessary to establish and maintain such a program.

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